

Agenda Date: 9/18/02 Agenda Item: 3B

## STATE OF NEW JERSEY

Board of Public Utilities Two Gateway Center Newark, NJ 07102 www.bpu.state.nj.us

CABLE TELEVISION

IN THE MATTER OF THE PETITION OF CSC TKR,
INC. D/B/A CABLEVISION OF RARITAN VALLEY
FOR RENEWAL OF A CERTIFICATE OF APPROVAL
TO CONTINUE TO OPERATE AND MAINTAIN A
CABLE TELEVISION SYSTEM IN THE BOROUGH
OF MIDDLESSEX, COUNTY OF MIDDLESEX,
STATE OF NEW JERSEY

BPU DOCKET NO. CE02060352

Schenck, Price, Smith & King, Morristown, New Jersey, by James Eric Andrews, Esq., for the Petitioner.

Borough Clerk, Borough of Middlesex, Kathleen Anello, for the Borough.

## BY THE BOARD1:

On August 12, 1977, the Board granted Cross Country Cable, Ltd. ("Cross Country") a Certificate of Approval in Docket No. 774C-6271, for the construction, operation and maintenance of a cable television system in the Borough of Middlesex ("Borough"). On February 5, 1982, the Board approved the transfer of the Certificate from Cross Country to TKR Cable Company ("TKR") in Docket No. 8112C-6860. On August 28, 1990, the Board issued a Renewal Certificate of Approval to TKR in Docket No. CE89080706. On April 2, 1997, the Certificate was transferred to TCI Atlantic, Inc. d/b/a TKR Cable Company ("TCI") in Docket No. CM96040359. On December 17, 1997, the Certificate was transferred from TCI to CSC TKR, Inc. d/b/a Cablevision of Raritan Valley ("Petitioner") in Docket No. CF97090674. Although the Petitioner's above referenced Certificate expired on August 12, 1999, it is authorized to continue to provide cable television service to the Borough pursuant to N.J.S.A. 48:5A-25, pending disposition of proceedings regarding the renewal of its Certificate of Approval.

<sup>1</sup> Commissioner Carol J. Murphy did not participate in the deliberations or vote on this matter.

The Petitioner filed an application for the renewal of its municipal consent with the Borough on or about February 19, 1999, pursuant to N.J.S.A. 48:5A-23 and N.J.A.C. 14:18-13. The Borough, after public hearing, adopted an ordinance on August 28, 2001. On January 29, 2002, the Petitioner formally accepted the terms and conditions of the ordinance, in accordance with N.J.S.A. 48:5A-24.

On June 20, 2002, pursuant to N.J.S.A. 48:5A-16, the Petitioner filed with the Board for a renewal of its Certificate of Approval for the Borough. The Board has reviewed the application for municipal consent, the petition for a Renewal Certificate of Approval, and the renewal municipal consent ordinance. Based upon this review and the recommendation of the Office of Cable Television, the Board HEREBY FINDS the following:

- 1. The Petitioner possesses the requisite legal, character, financial and technical qualifications for the awarding of a Renewal Certificate of Approval. Further, the Borough reviewed these qualifications in conjunction with the municipal consent process. See N.J.S.A. 48:5A-22 to 29 and N.J.A.C. 14:18-13.1 et seq.
- 2. The design and technical specifications of the system will ensure that the Petitioner provides safe, adequate and proper service.
- 3. The Petitioner has represented that all previously required construction within the franchise territory is complete.
- 4. The franchise period as stated in the ordinance is ten years from the date of issuance of this Certificate. The Board finds this period to be of reasonable duration.
- 5. The Petitioner's rates shall be regulated and tariffs shall be filed for all services, in accordance with the rules and regulations of the Federal Communications Commission, the Board and the Office of Cable Television. The Petitioner shall maintain informational tariffs for unregulated service rates and promptly file any revisions thereto.
- 6. The Petitioner shall maintain a local area business office or agent for the purpose of receiving, investigating and resolving complaints. The current local offices serving this purpose are located at 275 Centennial Avenue in Piscataway, New Jersey and 3058 Route 22 East in Green Brook, New Jersey
- 7. The franchise fee to be paid to the Borough is specified to be 2% of the Petitioner's gross revenues from all recurring charges in the nature of subscription fees paid by subscribers for its cable television reception service in the Borough. Additional regulatory fees shall be paid to the State in an amount not to exceed 2% of Petitioner's gross operating revenues derived from intrastate operations. The Board finds these fees to be reasonable.
- 8. The Petitioner shall utilize the line extension policy attached to the Certificate (Appendix "I"). The minimum homes per mile figure is 25.

- 9. The Petitioner shall provide public, educational and governmental ("PEG") access channels and facilities in accordance with its renewal application and the renewal ordinance. Piscataway Community Television ("PCTV") maintains a PEG channel which the Borough may use. The Petitioner also cablecasts public service announcements for non-profit organizations on it local origination channel. The Petitioner provides some access equipment for use by its franchised municipalities and their residents.
- 10. The Petitioner shall provide the standard installation and basic service to one outlet, free-of-charge, to each building used by a state accredited public, private, charter and parochial K-12 school and shall allow each school to extend service to up to five outlets at the school's own cost. The schools that are within the Borough are as follows: a) Mauger Middle School; b) Watchung School; c) Hazelwood School; and d) Our Lady of Mount Virgin Catholic School.
- 11. The Petitioner shall also provide the standard installation and basic service to one outlet, free-of-charge, to the following municipal buildings or properties: a) Middlesex Borough Hall; b) Middlesex Borough Recreation Department/Rescue Squad Building; c) Middlesex Free Library; d) Middlesex Fire Headquarters; e) H. C. Pierce Fire Co.; f) Beechwood Heights Fire Co.; g) Lincoln Hose Co.; and h) Parker Fire and Hose, Co. The Borough may extend service to up to five outlets to each of the above listed properties at the municipality's own cost.
- 12. The Petitioner shall implement a 10% discount for senior citizens, who meet the income and residency requirements of the Pharmaceutical Assistance to the Aged and Disabled ("PAAD") program.
- 13. Upon reasonable request by the Borough, the Petitioner shall provide the Borough with copies of: a) all documents which the Petitioner sends to the Federal Communications Commission or the Board or commerce commission; b) all records required to be maintained by the Petitioner under Section 76 of the Federal Communications Commission regulations (47 C.F.R. §76.1 et seq.); c) all pleadings submitted by the Petitioner in any lawsuit regarding the validity of statutes and regulations, whether federal or State; d) all pleadings submitted by the Petitioner in any lawsuit with program suppliers regarding programming provided in the Borough; and e) all pleadings to which the Petitioner is a party from judicial proceedings involving disputes with other counties, cities, towns, townships, villages or other units of local government in New Jersey. The Petitioner is not required to furnish any documents to the Borough which are proprietary to its business operations or that it would not be required to disclose to municipalities under state or federal law or that is not directly related to the Petitioner's operation of a cable system in the Borough.
- 14. The Petitioner and the Borough agree to meet at reasonable times, upon reasonable advanced notice, to discuss any aspect of the franchise, or the services or facilities of the Petitioner. The Petitioner shall make available qualified personnel for such meetings. Said meetings shall be at the Borough's offices unless otherwise agreed.

15. The Petitioner shall maintain two complete sets of as-built maps and records, exclusive of subscriber drops, and the Petitioner shall provide the Borough with copies of the same for inspection purposes, and any new or revised as-built or comparable drawing upon request, provided however, that the Petitioner is under no obligation to provide copies more frequently than annually. Upon request of the Borough in an emergency, the Petitioner shall, as soon as possible but no more than one business day from the request, inform the Borough of any changes from such maps and records previously supplied and shall mark up any maps provided by the Borough so as to show the location of the Petitioner's cable system in the Borough.

Pursuant to N.J.S.A. 48:5A-26(b), the ordinance is required to contain a provision specifying a complaint officer. In most cases, it is the Office of Cable Television. However, a municipality has the authority to name a municipal official to act upon complaints filed by its citizens. On July 31, 2001, the Office of Cable Television informed the Borough of its obligation to contain such a provision within its municipal consent ordinance. The Borough declined to make the necessary revisions and as a result, no complaint officer was named within its municipal consent ordinance. The Board therefore designates the Office of Cable Television to act as complaint officer for the Borough. All complaints shall be received and processed in accordance with N.J.A.C. 14:17-6.5.

Based upon these findings, the Board <u>HEREBY CONCLUDES</u>, pursuant to <u>N.J.S.A.</u> 48:5A-17(a) and 28(c), the Petitioner has the municipal consent necessary to support the petition, that such consent and issuance thereof are in conformity with the requirements of <u>N.J.S.A.</u> 48:5A-1 <u>et seq.</u>, that the Petitioner has complied or is ready, willing and able to comply with all applicable rules and regulations imposed by or pursuant to State or federal law as preconditions for engaging in the proposed cable television operations, that the Petitioner has sufficient financial and technical capacity, meets the legal, character and other qualifications necessary to construct, maintain and operate the necessary installations, lines and equipment, and is capable of providing the proposed service in a safe, adequate and proper manner.

Therefore, the Petitioner is <u>HEREBY ISSUED</u> this Renewal Certificate of Approval as evidence of Petitioner's authority to construct and operate a cable television system within the entirety of the Borough.

This Renewal Certificate is subject to all applicable State and federal laws, the rules and regulations of the Office of Cable Television, and any such lawful terms, conditions and limitations as currently exist or may hereafter be attached to the exercise of the privileges granted herein. The Petitioner shall adhere to the standards set forth by the Federal Communications Commission's rules and regulations, 47 <u>C.F.R.</u> §76.1 <u>et seq.</u>, including but not limited to, the technical standards 47 <u>C.F.R.</u> §76.601 through §76.630. Any modifications to the provisions thereof shall be incorporated into this Certificate.

Failure to comply with all applicable laws, rules, regulations and orders of the Board or Office of Cable Television and/or the terms, conditions and limitations set forth herein may constitute sufficient grounds for the suspension or revocation of this Certificate.

This Renewal Certificate is issued on the representation that the statements contained in the Petitioner's applications are true, and the undertakings therein contained shall be adhered to and enforceable unless specific waiver is granted by the Office of Cable Television pursuant to the authority contained in N.J.S.A. 48:5A-1 et seq.

This Certificate shall expire ten years from the date of its issuance.

DATED: September 23, 2002 BOARD OF PUBLIC UTILITIES

BY:

(signed)

JEANNE M. FOX PRESIDENT

(signed)

FREDERICK F. BUTLER

COMMISSIONER

(signed)

CONNIE O. HUGHES COMMISSIONER

ATTEST:

(signed)

KRISTI IZZO SECRETARY